

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re	)	Chapter 11
	)	
WORLDWIDE DIRECT, INC., <u>et al.</u> ,	)	Case Nos. 99-108 to -127 (MFW)
	)	
Debtors.	)	Jointly Administered
	)	

---

**REVISED DECLARATION OF EUGENE I. DAVIS IN SUPPORT OF HENNIGAN,  
BENNETT & DORMAN'S FINAL FEE APPLICATION**

I, Eugene I. Davis, declare:

1. I am the former Chief Executive Officer for Worldwide Direct, Inc., a Delaware corporation, and its parent company SmarTalk TeleServices, Inc. ("SMTK") and the other of SMTK's direct and indirect subsidiaries that are debtors and debtors in possession in the above-captioned cases (collectively, "SmarTalk"). I make this declaration in support of the Final Fee Application of Hennigan, Bennett & Dorman ("HBD"), SmarTalk's bankruptcy counsel. I have personal knowledge of the following facts and, if called and sworn as a witness, I would and could testify competently thereto.
2. I served as Chief Executive Officer of SmarTalk from approximately May 20, 1999, through June 30, 2001, when SmarTalk's reorganization plan was confirmed. As Chief Executive Officer of SmarTalk, I worked closely with Jim Johnston and other attorneys and financial consultants at HBD on numerous aspects of the administration and liquidation of SmarTalk. I was responsible for overseeing the potential recovery of the estate's assets and at least as early as June of 1999, I requested that HBD analyze potential causes of action against various entities formerly affiliated with SmarTalk, including PriceWaterhouse Coopers, Donaldson Lufkin & Jenrette and CS First Boston. HBD's attorneys and financial consultants performed an analysis of those potential causes of action. I believe that HBD was qualified and prepared to commence litigation against those entities.

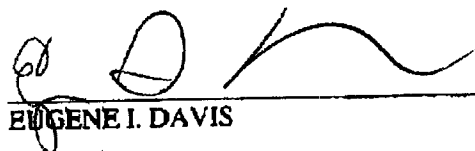
3. One of my other responsibilities as Chief Executive Officer was to review professional fee applications in the SmarTalk case. I am also aware that HBD wrote off significant portions of its fees.

4. Throughout HBD's employment as SmarTalk's counsel, HBD provided monthly invoice statements to SmarTalk for the services rendered by HBD, which were itemized by service category and included a summary of the time expended by each individual at HBD who worked on the case, a detailed description of the work performed and the time spent and the rate at which the individual was billed.

5. I received a memorandum from Jim Johnston dated March 5, 2001, that attached the invoice for the time period January 1 to January 31, 2001. The memorandum included an explanation of a standard rate increase for HBD's attorneys, financial consultants, paralegals and clerks, which were included in the accompanying invoice.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed this 14th day of May, 2002, at LIVINGSTON, NEW JERSEY

  
EUGENE I. DAVIS